



LABOR NEWS

ARKANSAS DEPARTMENT OF LABOR

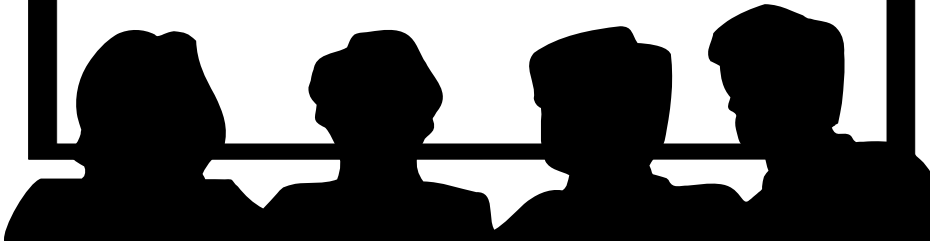
Mike Huckabee, Governor

Vol. 29, No. 3 Fall, 2006

James L. Salkeld, Director

ATTENTION ARKANSAS EMPLOYERS AND EMPLOYEES!

EFFECTIVE OCTOBER 1, 2006
THE MINIMUM WAGE IN ARKANSAS IS
\$6.25 PER HOUR



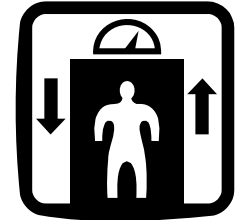
by Daniel Faulkner
Attorney, Arkansas Department of Labor

The General Assembly recently passed legislation during the Special Session that **will increase the state minimum wage from \$5.15/hour to \$6.25/hour.** Another important change was made to **the hourly rate for tipped employees. The new rate under the Act is 42% of the new minimum wage (\$2.62/hour).** The rate has been \$2.13/hour for federally covered employers and \$2.58/hour for state covered employers. Employers will still have to show that tips bring that tipped employee up to minimum wage.

The new law extends the new minimum wage to cover most employers that have four or more employees. The state minimum wage in the past has only applied to employers with four or more employees that have a gross annual income less than \$500,000.

The new minimum wage will go into effect October 1, 2006. This is the first raise in the state minimum wage since 1997. The Agency will publish updated information and compliance materials as they become available. A copy of the Act is available at <http://www.arkansas.gov/labor>.

The Arkansas Department of Labor has proposed the adoption of certain emergency regulations regarding the administration and enforcement of Act 15 of 2006 and the Arkansas Minimum Wage Act. The purpose of the proposed emergency regulations is to implement, administer and enforce the amendments to the Arkansas Minimum Wage Act, including the increase in the state minimum wage rate to \$6.25 per hour which is effective October 1, 2006. The proposed emergency regulations include provisions for administrative procedures; definitions; minimum wage and overtime; records (*contd. on page 4 – see MINIMUM*)



STATE ELEVATOR RULES AND REGS REVISED

by Ron Baker, Labor Code
Enforcement Administrator
Arkansas Department of Labor

The Elevator Safety Division of the Arkansas Department of Labor recently revised the rules and regulations pertaining to the installation, operation, inspection and maintenance of elevators and conveyances in the State of Arkansas. These rules became effective on September 1, 2006.

The new rules implement licensure requirements for elevator contractors, elevator mechanics, and elevator inspectors pursuant to Act 1813 of 2005. Additionally, the rules updated the standard to the most recent editions of the ASME Codes for Elevators.

Adoption of the new Code standards could have a financial impact on some elevator owners. For example, all elevators with more than 25 feet of rise, typically more than two (2) floors/levels, will be required to have fire service installed within five (5) years of the effective date of the regulations. Additionally, all hydraulic elevators that operate with a flat bottom jack will either have to (*contd. on page 4 – see ELEVATORS*)



HIGHLIGHTS OF AMERICA'S WORKFORCE: LABOR DAY 2006

This Labor Day, U.S. Secretary of Labor Elaine L. Chao hailed the release of "America's Dynamic Workforce 2006," a new report highlighting major trends in the American labor market and the

importance of education and skills training to maintaining the competitiveness of America's workforce calling the American economy, "strong and growing with unemployment low and more than 5.4 million new jobs created from August 2003 through the first half of 2006."

OVERALL

- In the first half of 2006, the national unemployment rate averaged 4.7 percent. That's a **full point lower** than the average 5.7 percent unemployment rate of the 1990s.
- As of June 2006, more than 5.4 million net **new jobs** were created in the United States since August 2003.
- By June 2006, total jobs reached an **all-time high** of 135.2 million — nearly 2.7 million more jobs than the previous record set in 2001.
- In 2005, real hourly wages were 1.9 percent higher than in 2000, compared to the 1.1 percent rise in wages between 1990 and 1995. This means that wages are increasing at a rate that's **more than 1½ times faster** than that of the early '90s.
- The average level of compensation in 2005 was 7 percent **higher** than in 2000.
- From 2003 to 2005, the total number of displaced workers **dropped** by nearly 30 percent compared to the previous two-year period for which data were collected.

WORKING WOMEN

- During the first half of 2006, the unemployment rate for women averaged 4.7 percent versus 5.5 percent for the same period ten years earlier.
- Over the past year, employment growth among women **nearly doubled** the rate for men.
- More women than ever are in **higher-paying jobs**: women held 56.3 percent of all professional and related jobs and 42.5 percent of management-related, business and finance positions in 2005.
- Earnings potential for women is expected to continue to rise because education has proven to be a key factor in increased earnings, and **more than 50 percent of bachelor's degrees** over the last five years have been earned by women.
- In addition, **over 50 percent** of workers who have benefited from services offered through the Department of Labor's Adult and Dislocated Worker programs at One-Stop Career Centers are women.
- Although women, on average, may earn less than men for a variety of reasons, including differences in work schedules and career decisions to accommodate raising their families or taking care of loved ones, education is a great equalizer, accounting for **more favorable changes** in real earnings for women than for men over the last 25 years.

- What has been called the "pay gap" is **shrinking** and is now the smallest it has ever been since the Bureau of Labor Statistics (BLS) began tracking this data.

MINORITY WORKERS

- The strong labor market in 2005 benefited American workers across all categories of race and ethnicity — average annual employment of black, Asian, and Hispanic workers **rose** in numbers and as a percent of the total employed.
- In 2005, unemployment rates **fell** across all racial and ethnic categories.
- The unemployment rate for Hispanic workers averaged 5.4 percent in the first half of 2006 compared to 9.4 percent during the same period ten years ago — **that's a significant drop**.
- The number of minority workers employed in professional and managerial jobs — higher-paying jobs requiring higher levels of education — has steadily **increased** in recent years.

WORKING VETERANS

- While the national unemployment rate for non-veterans averaged 4.6 percent in the first half of 2006, the rate for veterans averaged 4 percent — 0.6 percent **lower** than the non-veteran average during this period.
- A **37 percent drop** in the rate of complaints under the Uniformed Services Employment and Reemployment Rights Act (USERRA) between two major mobilization efforts — Desert Storm in 1991 and today's larger Global War on Terror — underscores the effectiveness of both the Department's first-ever regulations implementing the Act and outreach activities to employers and service members.



IN THE WORKS

More than half of 16- to 19-year-olds were employed in July 2005, the month that marks the height of youth employment. The top employers of these teens were accommodation and food services, followed by retail trade industries. Arts, entertainment and recreation was the category that followed.

Mean hourly wages for private industry and State and local government workers in the country as a whole were \$18.62 per hour in June 2005.

The Middle Atlantic division had the highest average hourly earnings among the nine census divisions in June 2005. This division includes the states of New York, New Jersey and Pennsylvania. Private industry and State and local government workers in the Middle Atlantic States earned an average of \$21.19 per hour. Workers in the Pacific States and the New England States had the next highest earnings. The division with the lowest hourly earnings was East South Central, with mean earnings of \$14.66 per hour.

Lee County, Florida, which includes Fort Myers, had the biggest over-the-year percentage increase in employment among the largest counties in the U.S. in December 2005, with 9.2 percent over the year before. Kern, California, just north of Los Angeles County, and Pasco, Florida, which is north of Tampa, had the next largest increases. The nation as a whole experienced a job growth rate of 1.7 percent.

Due to Hurricane Katrina, the largest percentage decline in employment occurred in the greater New Orleans area and along the Mississippi Gulf Coast. Orleans Parish in Louisiana was down 39.3 percent.

MEDIAN EARNINGS OF U.S. WORKERS COMPARED

Median weekly earnings of the nation's 105.9 million full-time wage and salary workers were \$659 in the second quarter of 2006. This is according to a recent study by the U.S. Department of Labor's Bureau of Labor Statistics.

Median earnings for black men working at full-time jobs were \$573 per week, 76.1 percent of the median for white men (\$753). The difference was less among women, as black women's median earnings (\$511) were 84.9 percent of those for their white counterparts (\$602).

Overall, median earnings of Hispanics or Latinos who worked full time (\$485) were lower than those of blacks (\$534), whites (\$678), and Asians (\$765).

Women who usually worked full time had median earnings of \$593 per week, or 81.1 percent of the \$731 median for men. The female-to-male earnings ratios were higher among blacks (89.2) percent and Hispanics or Latinos (86.1 percent) than among Asians (81.6 percent) or whites (79.9 percent).

ADOL'S BUSINESS MANAGER ELECTED TO SERVE ON NATIONAL BOARD

Becky Bryant, General Business Manager for the Arkansas Department of Labor, recently attended the Annual



Professional Development Conference of the American Academy of Certified Public Managers (AACPM) in Louisville, Kentucky, where she was elected by the House of Delegates to serve a two-year term on its Board as Member at Large for Conferences and Communications.

Becky's term will begin January 2007, and her primary responsibilities will include serving on the AACPM Conference Committee and coordinating and distributing the organization's quarterly newsletter and other correspondence.

AACPM is a professional association of public sector managers and currently has 22 member states. To be eligible for membership, an individual must *(contd. on page 4 – see ADOL)*

LABOR NEWS

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James L. Salkeld, Director

Jeanette Donahue, Editor

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MINIMUM (contd. from page 1)

to be maintained by employers; hours worked; wage payments; overtime pay requirements; tipped employees; and joint employment. The proposed effective date of the emergency regulations is October 1, 2006.

Written comment was accepted by the agency through 4:30 p.m. on September 18, 2006. A copy of the proposed emergency regulations may be accessed on the Department of Labor's website at: <http://www.arkansas.gov.labor/> or by calling the Labor Standards Division of the Arkansas Department of Labor at (501) 682-4500.

There will be an additional period for public comment and public hearing after October 1, 2006, as the agency proceeds with permanent rule-making.

ELEVATORS (contd. from page 1)

retro-fit the jack or have it completely replaced within the same five (5) year period. We estimate that these revisions will impact approximately 300 to 350 elevators.

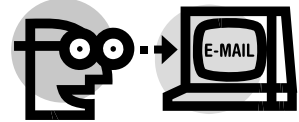
The new regulations may be accessed on the Department of Labor website at www.arkansas.gov/labor/.

DID YOU KNOW...

The average number of job changes for a worker between the ages of 18 and 38 is 10 jobs! A job change in this case is switching from one employer to another or switching from one occupation to another while working for the same employer.

ADOL (contd. from page 3)

have earned the designation of Certified Public Manager® (CPM) through a management program accredited by the National Certified Public Manager® Consortium and must be a member of an accredited Society of Certified Public Managers. Becky earned her CPM designation in 1994 and has served a number of years on the Board of the Arkansas Society of Certified Public Managers including two terms as President.



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